

ROUTING AND TRANSMITTAL SLIP

Date

TO: (Name, office symbol, room number,
building, Agency/Post)

Initials

Date

1. *EO/DDA**R*28 NOV
19632. *DDA*29 NOV
19633. *DDA*5 DEC
19634. *Beaver*

5.

Action	File	Note and Return
Approval	For Clearance	Per Conversation
As Requested	For Correction	Prepare Reply
Circulate	For Your Information	See Me
Comment	Investigate	Signature
Coordination	Justify	

REMARKS

1 Copy to anyone?
B *OL, OP*
done

DO NOT use this form as a RECORD of approvals, concurrences, disposals,
clearances, and similar actions

FROM: (Name, org, symbol, Agency/Post)

Room No.—Bldg.

Phone No.

EXECUTIVE SECRETARIAT
ROUTING SLIP

TO:

		ACTION	INFO	DATE	INITIAL
1	DCI				
2	DDCI				
3	EXDIR				
4	D/ICS				
5	DDI		✓		
6	DDA				
7	DDO				
8	DDS&T				
9	Chm/NIC				
10	GC				
11	IG				
12	Compt				
13	D/EEO				
14	D/Pers				
15	D/OLL				
16	C/PAO				
17	SA/IA				
18	AO/DCI				
19	C/IPD/OIS				
20					
21					
22					
SUSPENSE		Date			

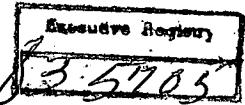
Remarks

Executive Secretary

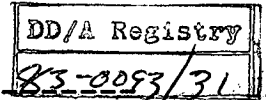
11/28/83

Date

**THE WHITE HOUSE
WASHINGTON**



CABINET AFFAIRS STAFFING MEMORANDUM



Date: 11-22-83 **Number:** ----- **Due By:** -----

Subject: Cabinet Council on Management and Administration Minutes:

September 28, October 6 and November 2, 1983

	Action	FYI		Action	FYI
ALL CABINET MEMBERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>	CEA	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Vice President	<input type="checkbox"/>	<input type="checkbox"/>	CEQ	<input type="checkbox"/>	<input type="checkbox"/>
State	<input type="checkbox"/>	<input type="checkbox"/>	OSTP	<input type="checkbox"/>	<input type="checkbox"/>
Treasury	<input type="checkbox"/>	<input type="checkbox"/>	ACUS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Defense	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
Attorney General	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
Interior	<input type="checkbox"/>	<input type="checkbox"/>	Baker	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Agriculture	<input type="checkbox"/>	<input type="checkbox"/>	Deaver	<input type="checkbox"/>	<input type="checkbox"/>
Commerce	<input type="checkbox"/>	<input type="checkbox"/>	Darman (For WH Staffing)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Labor	<input type="checkbox"/>	<input type="checkbox"/>	Jenkins	<input type="checkbox"/>	<input checked="" type="checkbox"/>
HHS	<input type="checkbox"/>	<input type="checkbox"/>	Mc Farlane	<input type="checkbox"/>	<input checked="" type="checkbox"/>
HUD	<input type="checkbox"/>	<input type="checkbox"/>	Svahn	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Transportation	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
Energy	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
Education	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
Counsellor	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
OMB	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
CIA	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
UN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
USTR	<input type="checkbox"/>	<input type="checkbox"/>	CCCT/Gunn	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GSA	<input type="checkbox"/>	<input checked="" type="checkbox"/>	CCEA/Porter	<input type="checkbox"/>	<input checked="" type="checkbox"/>
EPA	<input type="checkbox"/>	<input type="checkbox"/>	CCFA/	<input type="checkbox"/>	<input checked="" type="checkbox"/>
OPM	<input type="checkbox"/>	<input checked="" type="checkbox"/>	CCHR/Simmons	<input type="checkbox"/>	<input checked="" type="checkbox"/>
VA	<input type="checkbox"/>	<input checked="" type="checkbox"/>	CCLP/Uhlmann	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SBA	<input type="checkbox"/>	<input type="checkbox"/>	CCMA/Bledsoe	<input type="checkbox"/>	<input checked="" type="checkbox"/>
			CCNRE/	<input type="checkbox"/>	<input checked="" type="checkbox"/>

REMARKS:

Attached for your information are the minutes of the following Cabinet Council on Management and Administration meetings:

September 28, 1983
October 6, 1983
November 2, 1983

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RETURN TO:

☐ Craig L. Fuller
Assistant to the President
for Cabinet Affairs
456-2823

☐ Katherine Anderson
☒ Tom Gibson
Associate Director
Office of Cabinet Affairs
456-2800

☐ Don Clarey
☐ Larry Herbolsheimer

CABINET COUNCIL ON MANAGEMENT AND ADMINISTRATION

Meeting #19
September 28, 1983, 2:00 p.m.
The Cabinet Room

MINUTES

Attendees: The President, The Vice President, Meese, W. Smith, Heckler, Hodel, Devine, Carmen, Walters, L. Smith, Svahn, McNamar, Thayer, Burnley, Wright, Niskanen, Darman, Fuller, Rogers, Verstandig, Bledsoe, Gibson, Korten, Baroody, Cribb, Cicconi, Shull, Triplett, Ferko, Dierman

1. SES Bonus Policy

Mr. Meese opened by briefly describing the Senior Executive Service (SES) concept that senior executives are to be held accountable, but are also to be rewarded for superior performance. Mr. Devine reviewed the history of the SES bonus program and past Congressional restrictions. He described the recommendation to raise the number of executives who could receive bonuses from 20% to approximately 30% those of eligible, to raise the funds available for bonuses from just under 2%, to 3% of the SES payroll, and to permit bonuses to be between 5% and 20% of a recipient's annual salary. Mr. Meese mentioned that there was near-unanimous agreement on the recommendation when it was discussed at the CCMA planning meeting of September 23, 1983.

Action: The President approved issuance by OPM of the recommended SES bonus guidelines.

2. Federal Civilian Employment

Mr. Devine reported that we are nearing the goal of reducing nondefense full-time equivalent (FTE) workyears by 75,000 by FY 1984. The latest information showed reductions at 72,300. Mr. Wright reported that personnel ceilings for FY 1984, however, are still too high, and that the goal is in jeopardy unless agency ceilings are reduced. He reviewed current agency ceilings and estimates, and proposed a reduction of selected FY 1984 ceilings and careful attention to FY 1985 ceilings to ensure achievement of the 75,000 goal early in FY 1984, and permit establishment of a new goal for FY 1986, such as an additional 25,000. Mr. Devine proposed a two-part strategy. First, declare the FY 1984 goal met when the figures show that nondefense FTE workyears are below the target of 1,088,100 employees. Second, set a new goal through the FY 1985 budget process.

Mr. Meese stated that government efficiency has not decreased with the personnel reductions, and that the President might wish to serve notice to Congress that bills with personnel "floors" (required minimum workyears) will be vetoed. The President

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acknowledged that personnel reductions as well as workspace reductions are high priority management issues for this Administration. Secretary Heckler mentioned that she has established a screen on hiring and supports opposition to "floors." The Vice President asked why defense civilian workyears were not part of a future goal. Mr. Thayer commented that while there may be some excess, Congress had mandated new programs that will require more people. The President stated that civilians are needed to permit reassignment of military people back to military duties instead of the civilian tasks they have been undertaking.

Mr. Meese proposed four steps for consideration: 1) permit OMB to adjust FY 1984 agency ceilings to meet the 75,000 goal; 2) require all managers to hold employment at current levels, except in exempted areas, e.g. law enforcement, veterans, foreign service, IRS; 3) seek an additional 25,000 reduction in nondefense FTE workyears; and 4) establish a policy to veto bills that contain personnel "floors." Mr. Svahn suggested that the FY 1985 budget process and inclusion of defense personnel might permit a higher target. Mr. Meese added that 25,000 would be a minimum goal. Mr. Devine asked if we would still announce achievement of the 75,000 goal when it is first met. Mr. Wright supported this as good public relations. This was agreed to. Mr. Thayer asked whether we would continue to hold at a 90% attrition level. Mr. Devine was not certain that this is possible. Mr. L. Smith stated that we should oppose "floors" as just bad management. Mr. Walters commented that VA is attempting to hold the line, despite added needs in caring for increasing members of aging veterans.

Action: The President approved the following:

1. OMB is authorized to adjust FY 1984 agency ceilings during the FY 1985 budget process, to ensure achieving the goal of 1,088,100 nondefense FTE workyears. These ceilings will be announced with the release of the FY 1985 budget.
2. All managers are required to hold employment at current levels, except those specifically exempted.
3. The 75,000 reduction goal will be announced when it has been achieved. An additional goal to reduce a minimum of 25,000 nondefense FTE workyears in FY 1986 is to be established during the FY 1985 budget process.
4. It shall be an Administration policy to oppose employee minimum levels ("floors") in any agency appropriations bill, and to veto such bills as necessary.

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3. OMB Management Review

Mr. Wright described the OMB management review process now underway, and the need to institutionalize it within the Federal government. He cited GAO studies and the PPSSCC as supportive of this idea, and pointed out that the objectives of this year's management review process are to make sure that management improvements help reduce the deficit, and they are implemented through the budget.

Specific goals for the Reform 88 management improvement efforts were reviewed, along with the management review schedule. Since its announcement in August, questions have been discussed with agencies and hearings have begun to identify savings and analyze management issues. In November, a Deputy Director's management review and the Director's budget review will be held, and passbacks and allowance letters will be prepared and transmitted. The normal appeals process involving the Budget Review Board and the President will occur in December.

Mr. Wright commented that through this means, the President and Mr. Meese are bringing management leadership to the government that has not existed under previous presidents.

4. Workspace Management

Mr. Carmen reviewed the objectives of the workspace management initiative, and cited actions taken to implement the initiative. He reported that only 24 (31%) of the expected 78 plans had been received, accounting for only 11% of the total space inventory of 2.7 billion square feet. The goal of 10% total space reduction had been met by 15 of the 24 agencies, including Commerce (10%), Education (15.6%), HUD (17.7%), Labor (10%), and GSA (10.6%). However, five agencies have projected increases, including Energy (4.7%) and Justice (.1%). The very disappointing bottom line is that instead of achieving an initial target of 270 million square feet, which could save \$1.8 billion, if the performance reported to date continues, it could require a lowering of the expectation to only 13.5 million square feet, and \$90 million savings. The 24 agency plans received to date account for only 1.7 million square feet reduction, and \$11 million savings, against targets for these 24 agencies of 33 million square feet and \$220 million savings.

Mr. Carmen indicated that GSA will continue to press for agency plans submittals, and will provide CCMA with an updated report in 30 days. The President directed Cabinet members to keep the management efforts moving.